

ROCKVILLE HOUSING ENTERPRISES

**POLICY ON
ADMISSIONS
AND
CONTINUED OCCUPANCY**

FOR PUBLIC HOUSING UNITS

Rockville Housing Enterprises
(formerly Housing Authority of the
City of Rockville)

Approved by the Board of Commissioners
July 15, 2009

ROCKVILLE HOUSING ENTERPRISES
POLICY ON
ADMISSIONS AND CONTINUED OCCUPANCY
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ROCKVILLE HOUSING ENTERPRISES
ADMISSIONS AND CONTINUED OCCUPANCY POLICY

INTRODUCTION

This Admissions and Continued Occupancy Policy covers the Rockville Housing Enterprise's (RHE's) policies for the operation of its public housing program, incorporating federal, state and local law. If there is any conflict between this policy and laws or regulations, the laws and regulations will prevail.

GLOSSARY

LEASE

APPENDICES

CHAPTER 1: FAIR HOUSING AND NONDISCRIMINATION

1.1. COMPLYING WITH CIVIL RIGHTS LAWS

24 CFR 1, Part 100, Part 8, Part 146 and 960.103

Civil rights laws protect the rights of applicants and residents to equal treatment in the way RHE carries out its programs. It is RHE's policy to comply with all Civil Rights laws, including but not limited to:

- Title VI of the Civil Rights Act of 1964, which forbids discrimination on the basis of race, color, religion, national origin or sex;
- Title VIII of the Civil Rights Act of 1968 (as amended by the 1974 HCDA and the Fair Housing Amendments Act of 1988), which extends protection against discrimination based on disability and familial status, and spells out forms of prohibited discrimination;
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973, which describes specific housing rights of persons with disabilities;
- The Age Discrimination Act of 1975, which establishes certain rights of the elderly
- Title II of the Americans with Disabilities Act of 1990 (ADA), which requires that RHE provide individuals with disabilities with access to its programs, services and activities including, common areas and public spaces. Title II does not require that individual housing units be accessible to individuals with disabilities; rather, Section 504 and the Fair Housing Act govern access for individuals with disabilities to RHE's housing units.
- Any applicable state laws or local ordinances, and
- Any legislation protecting the individual rights of tenants, applicants or staff that may subsequently be enacted.

1.2. NONDISCRIMINATION

RHE shall not discriminate because of race, color, national origin, sex, religion, familial status, or disability in the leasing, rental, occupancy, use, or other disposition of housing or related facilities, including land, that is part of a development under RHE's jurisdiction covered by a public housing Annual Contributions Contract with HUD.

RHE shall not, on account of race, color, national origin, sex, religion, familial status, or disability:

- Deny anyone the opportunity to apply for housing (when the waiting list is open), nor deny to any qualified applicant household the opportunity to lease housing suitable to its needs;
- Provide anyone housing that is different (of lower quality) from that provided others;
- Subject anyone to segregation or disparate treatment;

- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program;
- Treat anyone differently in determining eligibility or other requirements for admission;
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program; or
- Deny anyone access to the same level of services. (This requirement applies to services provided by RHE and services provided by others with RHE's permission on public housing property. Thus, a health screening program offered by the local health department in a public housing community room would have to be fully accessible to persons with disabilities.)

RHE shall not automatically deny admission to otherwise qualified applicants because of their membership in some group to which negative behavior may be imputed (e.g., families with children born to unmarried parents or families whose head or spouse is a student). Instead, each applicant who is a member of a particular group will be treated as an individual based on his or her attributes and behavior.

1.3. ACCESSIBILITY OF THE PUBLIC HOUSING PROGRAM AND RHE'S NON-HOUSING PROGRAMS

24 CFR 8.20 through 8.26, 8.32, 8.40, 24 CFR 100.204, 24 CFR 906.202(a)

RHE will correct situations or procedures that create a barrier to equal housing opportunity for all. To permit people with disabilities to take full advantage of RHE's housing program and non-housing programs, in accordance with Section 504 and the Fair Housing Amendments Act of 1988, there are requirements, optional actions and prohibitions.

RHE must, upon request by an applicant or resident with a disability:

- Make structural modifications to its housing and non-housing facilities; and
- Make reasonable accommodations in its procedures or practices unless such structural modifications or reasonable accommodations:
 - Would result in an undue financial and administrative burden to RHE, or
 - Would result in a fundamental alteration in the nature of the program.

In making structural modifications to "existing housing programs" or in carrying out "Other Alterations" for otherwise qualified persons with disabilities, RHE may, but is not required to:

- Make each of its existing facilities accessible; or
- Make structural alterations when other methods can be demonstrated to achieve the same effect.
- Make structural alterations that require the removal or altering of a load bearing structural member.

When RHE is making "Substantial Alterations" to an existing housing facility RHE may, but is not required to:

- Make structural alterations that require the removal or altering of a load bearing structural member; or
- Make structural alterations to meet minimum accessibility requirements where it is structurally impracticable.

RHE will not permit these policies to be subverted to do personal or political favors. RHE will not offer units in an order different from that prescribed by this policy, since doing so violates the policy, federal law, and the civil rights of the other families on the waiting list.

1.3.a. Accessibility of Non-Housing Facilities

Facilities and programs used by residents will be accessible to a person in a wheelchair. Application and management offices, hearing rooms, community centers, day care centers, laundry facilities, craft and game rooms, etc. (to the extent that RHE has such facilities) will be usable by residents with a full range of disabilities. To the extent that RHE offers such facilities, if none is already accessible, some will be made accessible unless doing so would create an undue financial and administrative burden.

1.3.b. Accessible Communication

Documents used by applicants and residents will be accessible for those with vision or hearing impairments. All documents will be written simply and clearly to enable applicants with learning or cognitive disabilities to understand as much as possible.

RHE will present examples to help applicants and residents understand eligibility, rent computation, applicant screening, reasonable accommodations, and lease compliance. In writing materials for applicants and residents, RHE staff will be prepared to explain rules and benefits orally, as often as may be needed, because some disabilities may affect an applicant's ability to read or understand.

When RHE has initial contact with the applicant, RHE staff will ask whether the applicant requires an alternate form of communication. Examples of alternative forms of communication might include, but are not limited to: a qualified sign language interpreter provided and paid for by RHE; having written materials explained orally by staff either in person or by telephone; provision of written materials in large/bold font; information on audiocassette; permitting applicants to file applications by mail; and, permitting alternative sites for the receipt of applications. In addition, RHE's obligation to provide alternative forms of communication to persons with disabilities does not preclude an individual's right to have a friend, relative or advocate accompany him/her for purposes of conducting business with RHE.

At a minimum, RHE will prepare information to be used by applicants and residents in plain-language accessible formats.

1.3.c. Limited English Proficiency

Some applicants will not be able to read (or to read English), so intake staff must be prepared to read and explain anything that they would normally hand to an applicant to be read or filled out. Applicants who read or understand little English may furnish an interpreter who can explain what is going on. RHE is not required to pay the costs associated with having a foreign language interpreter (as they are for a sign language interpreter for the hearing impaired because the Fair Housing law makes no such requirement).

RHE will endeavor to employ bilingual staff and to foster relationships with organizations that can provide translation services to families for which English is not their first language. These services will be made available at the request of a family.

Where feasible, any notice or document relative to citizenship or eligible immigration status will be provided to an applicant or tenant in a language that is understood by the individual if the individual is not proficient in English. In general, documents will be translated when there are sufficient numbers of applicants or residents speaking a language to warrant the expense. 24 CFR § 5.505

1.4. AFFIRMATIVE MARKETING

1.4.a. Marketing Plan

RHE will conduct affirmative marketing as needed so the waiting list includes a mix of applicants with races, ethnic backgrounds, ages and disabilities proportionate to the mix of those groups in the eligible population of the area. The marketing plan will take into consideration the number and distribution of vacant units, units that can be expected to become vacant because of move-outs, and characteristics of families on the waiting list. RHE will review these factors regularly to determine the need for and scope of marketing efforts. All marketing efforts will include outreach to those least likely to apply.

1.4.b. Marketing and Informational Materials

Marketing and informational materials will:

- Comply with Fair Housing Act requirements on wording, logo, size of type, etc.;
- Describe the housing units, application process, waiting list and preference structure accurately;
- Use clear and easy to understand terms and more than strictly English-language print media;

- Contact agencies that serve potentially qualified applicants least likely to apply (e.g., the disabled) to ensure that accessible/adaptable units are offered to applicants who need their features;
- Make clear who is eligible: low income individuals and families; working and nonworking people; and people with both physical and mental disabilities; and
- Be clear about RHE's responsibility to provide reasonable accommodations to people with disabilities.

CHAPTER 2: ELIGIBILITY FOR ADMISSION

It is RHE's policy to admit only qualified applicants. An applicant is qualified if he or she meets all of the following criteria:

1. Is a family, as defined in this section;
2. Has an Annual Income at the time of admission that does not exceed the income limits established by HUD;
3. Is a U.S. citizen or an eligible immigrant;
4. Provides Social Security cards for all family members;
5. Willingness to sign consent forms and provide information as required;
6. Meets the RHE's Applicant Selection Criteria.

2.1. FAMILY

2.1.a. Definition of Family

Family is defined as a group of people, with or without children, who are related by blood, marriage, adoption or affinity that live together in a stable family relationship.

Children temporarily absent from the home due to placement in foster care are considered family members.

Unborn children and children in the process of being adopted are considered family members for the purpose of determining bedroom size but are not considered family members for determining income eligibility.

2.1.b. Elderly Family is:

A family whose head, spouse, or sole member is a person who is at least 62 years of age;

Two or more persons who are at least 62 years of age living together; or

One or more persons who are at least 62 years of age living with one or more live-in aides.

2.1.c. A Near-Elderly Family is:

A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62;

Two or more persons, who are at least 50 years of age but below the age of 62, living together; or

One or more persons, who are at least 50 years of age but below the age of 62, living with one or more live-in aides.

2.1.d. A Disabled Family is:

A family whose head, spouse, or sole member is a person with disabilities;

Two or more persons with disabilities living together; or

One or more persons with disabilities living with one or more live-in aides.

2.1.e. A Displaced Family is:

A family in which each member, or whose sole member, has been displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

2.1.f. Remaining Member of a Tenant Family

A remaining member of a tenant family is a family member remaining in the assisted unit after the head and spouse or co-head have moved out.

A remaining member of a tenant family is eligible to remain in the unit with assistance.

If all of the remaining family members are minors, the family may propose a guardian to move into the unit to care for the minors. The guardian must be someone who is eligible for assistance, must pass RHE's standard screening and must be approved by RHE as an appropriate head of household for the family.

A live-in aide, foster child or foster adult cannot be remaining members of a tenant family and are not eligible to remain in a unit after the head and spouse or co-head move out.

A single person who is not an elderly or displaced person, a person with disabilities, or the remaining member of a tenant family is an eligible family.

2.1.g. Head of Household 24 CFR 5.504

The head of household must be the adult member of the household who is designated by the family as the head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under the state and local laws of the City of Rockville, Maryland.

2.1.h. Spouse, Co-Head and Other Adult

A family may have a spouse or co-head, but not both. (See HUD-50058 IB) The spouse is the marriage partner of the head of household but not friends, roommates or significant others who are not marriage partners.

A co-head is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one co-head.

Other adult means a family member other than the head, spouse, or co-head, who is 18 years of age or older. Foster adults and live-in aides are not identified as other adults.

2.1.i. Joint Custody

Children subject to a joint custody agreement will be allowed to be claimed as a dependent only by the household where the child spends 50% or more of his or her time. Verification of the address where the child resides the majority of the time may be through home address reported on school records or other documentation that is deemed conclusive by the Executive Director.

2.1.j. Unborn Children

Unborn children and children in the process of being adopted are considered family members for purposes of determining bedroom size, but are not considered family members for determining income limit.

2.1.k. Live-In Aide

A household may include a live-in aide.

A live-in aide is a person who lives with an elderly person or a person with disabilities when the family has verified that a live-in aide is essential to the care and well-being of the elderly or disabled family member.

A live-in aide must be a person who:

Would not be living in the unit except to provide the necessary supportive services; and
Is not obligated for the financial support of the elderly or disabled family member.

RHE will conduct a criminal background check on any person proposed to be a live-in aide and may refuse to approve, or withdraw approval of, a specific live-in aide who:

- Has committed drug-related criminal or violent criminal activity; or
- Has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program; or
- Owes rent or other amounts to RHE or to another PHA in connection with the housing voucher or public housing programs.

2.1.1. Eligibility of New Household Members

RHE will approve a child added to a household through birth, adoption or court-awarded custody. RHE does not approve the addition of adults to a household except in the event of marriage and, in that instance, the new family member must be determined eligible on the basis of RHE's standard screening procedures. Any new member receiving assistance must be a citizen or eligible immigrant, must provide a social security card and, if an adult, must sign consent forms and provide other information required.

2.2. INCOME ELIGIBILITY

To be eligible for admission to a public housing unit, a family's annual income must be within the low-income limit set by HUD. This means the family income cannot exceed 80 percent of the median income for the area.

Income limits apply only at admission and are not applicable for continued occupancy.

If there are no eligible families on the waiting list and the Rockville Housing Enterprises has published a notice of available units in at least one newspaper of general circulation, families above the applicable income limit may be housed. They must vacate the unit if an eligible family applies.

2.3. CITIZENSHIP/ELIGIBILITY STATUS

24 CFR Part 5, Subpart E

To receive assistance, a family member must be a U.S. citizen or eligible immigrant. Assistance is prohibited to non-immigrant students and their families.

All household members must sign a declaration claiming status as a U.S. citizen or an eligible non-citizen or stating a preference not to claim eligibility. Declarations for children must be signed by parents or guardians.

U.S. Citizens must provide verification of citizenship, which may be a U.S. birth certificate, a U.S. Passport, or a certificate of naturalization.

Non-citizens who are 62 years of age or older and claim to have eligible immigration status must provide a signed declaration of eligible immigration status and proof of age.

Other non-citizens claiming eligible immigration status must provide documentation of their immigration status. Staff will verify the immigration status of every non-citizen claiming eligibility through the U.S. Citizenship and Immigration Services (USCIS).

Mixed families with eligible and ineligible members will be eligible to receive prorated assistance.

RHE will inform all applicants at the time an application is submitted that housing assistance is available only to US citizens and eligible immigrants and provide information on the types of evidence that will be required.

2.4. SOCIAL SECURITY NUMBER DOCUMENTATION 24 CFR 5.216

To be eligible, all family members must provide a Social Security card.

2.5. SIGNING CONSENT FORMS

The head and spouse or co-head and all other family members who are 18 years of age or older must sign one consent forms as requested authorizing HUD or RHE to:

Obtain from State Wage Information Collection Agencies (SWICAs) any information or materials necessary to complete or verify the application for participation or for eligibility for continued occupancy; and

Verify with previous or current employers income information pertinent to the family's eligibility for or level of assistance;

Request income information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits.

Eligibility for public housing is contingent on family member providing information, documents, and authorizations necessary as requested by RHE within the timeframe they are requested.

2.6. SCREENING APPLICANTS FOR ADMISSION

Applicant families will be evaluated to determine whether past behavior of household members might be expected to result in noncompliance with the public housing lease. The Rockville Housing Enterprises will look at past conduct as an indicator of future conduct. Emphasis will be placed on whether a family's admission could reasonably be expected to have a detrimental effect on the development environment, other tenants, Rockville Housing Enterprises employees, or other people residing in the immediate vicinity of the property. Otherwise eligible families will be denied admission if they fail to meet the suitability criteria.

The cost of applicant screening will be borne by RHE.

2.6.a. Considerations Related to Tenancy Compliance

RHE will consider objective and reasonable aspects of the family's background that are related to the family's ability to comply with lease requirements, including the following:

- 1) History of meeting financial obligations, especially rent;
- 2) Ability to maintain (with or without assistance) their housing in a decent and safe condition based on living or housekeeping habits and whether such habits could adversely affect the health, safety, or welfare of other tenants;
- 3) History of criminal activity by any household member involving crimes of physical violence against persons or property and any other criminal activity including drug-related criminal activity that would adversely affect the health, safety, or well being of other tenants or staff or cause damage to the property;
- 4) History of disturbing neighbors or destruction of property;
- 5) Previous acts of fraud in connection with any Federal housing assistance program, including the intentional misrepresentation of information related to a housing application or benefits derived therefrom; and
- 6) History of abusing alcohol or drugs in a way that may interfere with the health, safety, or right to peaceful enjoyment by others.

2.6.b. Approach to Screening Applicants

RHE will ask applicants to provide information demonstrating their ability to comply with the essential elements of the lease and will verify the information as appropriate, including the following:

- A credit check of the head, spouse and co-head;
- A rental history check of all adult family members;
- A criminal background check on all adult household members, including live-in aides. This check will be made through state or local law enforcement or court records in those cases where the household member has lived in the local jurisdiction for the last three years. Where the individual has lived outside the local area, the Rockville Housing Enterprises may contact law enforcement agencies where the individual had lived.

- A home visit. The home visit provides the opportunity for the family to demonstrate their ability to maintain their home in a safe and sanitary manner. This visit considers cleanliness and care of rooms, appliances, and appurtenances. It may also consider any evidence of criminal activity; and
- A check of the state's lifetime sex offender registration program for each adult household member, including live-in aides. No individual registered with this program will be admitted to public housing.

2.7. DENIAL OF ASSISTANCE

24 CFR 960.203 & 204

2.7.a. Failure to Meet Eligibility Criteria

RHE will deny admission to an applicant if:

- The family does not meet any one or more of the eligibility criteria of the program.
- Any member of the family fails to:
 - Supply information or documentation required for the application, lease-up or recertification process; or
 - Sign and submit consent forms for obtaining information; or
 - Respond to a written waiting list update request.
- Any member of the family has been evicted from public housing or any federally assisted housing or has had housing voucher assistance terminated for any reason within the last ten years prior to the date of RHE's denial notice.

2.7.b. Criminal Activity

RHE has established standards that prohibit admission of an applicant who has engaged in criminal activity, use of illegal drugs or abuse of alcohol that may threaten the health, safety of other persons or the right to peaceful enjoyment of the premises by other residents.

Applicants may be denied admission for any of the following reasons:

- Any member of the family has illegally used or possessed a controlled substance for personal use or has abused alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- Any member of the family has committed drug-related criminal activity, or violent criminal activity.
- Any household member has a criminal history that involved arson.

- Any family member has ever been convicted of manufacturing or producing methamphetamine, “speed”.
- Any family member has a lifetime registration under a state sex offender registration program.

2.7.c. Additional Reasons for Denial of Admission

RHE will deny admission to a family if it determines the family or any family member:

- Has engaged in or threatened abusive or violent behavior toward any RHE staff member or resident. This behavior includes oral or written threats or physical gestures that communicate an intent to insult or intimidate.
- Has a pattern of unsuitable past performance in meeting financial obligations, including rent or the payment of utilities.
- Has a record of disturbance of neighbors, destruction of property or living or housekeeping habits at prior residences which may adversely affect the health, safety or welfare of other residents.
- Owes money to RHE or any other housing authority.
- Has intentionally misrepresented information related to eligibility, preference, housing history, allowances, family composition or rent. Unintentional mistakes that do not convey any advantage to the applicant will be considered unintentional misrepresentations.
- Has committed fraud, bribery or any other corrupt act in connect with any feeral housing assistance program.

2.7.d. Criteria for Deciding to Deny Admission: Evidence

RHE will deny admission if the “preponderance of evidence” indicates that a family member has engaged in a prohibited activity, regardless of whether the family member has been arrested or convicted. Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not.

2.7.e. Criteria for Deciding to Deny Admission: Mitigating Evidence

RHE will consider all relevant circumstances when deciding whether to deny admission based on a family’s past history except in situations for which denial of admission is mandated.

If negative information is received about an applicant, RHE shall consider the time, nature, and extent of the applicant's conduct and factors that might indicate a reasonable probability of favorable future conduct. To be considered, mitigating circumstances must be verifiable.

Mitigating circumstances are facts relating to the applicant's negative history that, when verified, indicate:

- The reason for the unsuitable rental history and/or behavior; and
- That the reason for the unsuitable rental history and behavior is no longer in effect or is under control, AND
- The applicant's prospect for lease compliance is acceptable, justifying admission.

Examples of mitigating circumstances might include:

- Evidence of successful rehabilitation;
- Evidence of the applicant family's participation in social service or other appropriate counseling service; or
- Evidence of successful and sustained modification of previous disqualifying behavior.

RHE will consider evidence that those who have illegally used or possessed controlled substances or abused alcohol have successfully completed a supervised drug or alcohol rehabilitation treatment program, and have been certified by the treatment program as "clean" for at least one year as of the date of the eligibility determination. (HUD Notice PIH 96-27) Consideration of mitigating circumstances does not guarantee that an applicant will qualify for admission.

2.7.f. Reasonable Accommodation

If the applicant asserts that mitigating circumstances relate to a change in disability, medical condition or treatment, RHE shall refer such information to persons qualified to evaluate the evidence and verify the mitigating circumstance. RHE shall also have the right to request further information to verify the mitigating circumstance, even if such information is of a medically confidential nature. Such inquiries will be limited to the information necessary to verify the mitigating circumstances or, in the case of a person with disabilities, to verify a reasonable accommodation.

2.7.g. Removal of a Family Member from the Household

In the event that one family member is found to be ineligible, RHE may offer an opportunity for the family to remove the culpable family member from the application as a condition of admission. The decision to offer such an opportunity is at RHE's sole discretion. If such an offer is made, the head of household and spouse or co-head must sign a certification that the excluded family member will not be permitted to visit or stay as a guest in the public housing apartment. Prior to admission and at any time in the future, the family must present evidence of the former family member's address upon RHE's request.

2.8. VIOLENCE AGAINST WOMEN ACT (VAWA)

RHE acknowledges that a victim of domestic violence, dating violence or stalking may have an unfavorable history that would warrant denial under RHE's policies. Therefore, if RHE makes a determination to deny admission to an applicant family on the basis of an unfavorable history, RHE will include in its notice of denial a statement of the protection against denial provided by VAWA and will offer the applicant the opportunity to provide documentation affirming that the cause of the unfavorable history is that a member of the applicant family is or has been a victim of domestic violence, dating violence or stalking.

In a case where an applicant family includes the perpetrator as well as the victim of domestic violence, dating violence or stalking, RHE will require that the perpetrator be removed from the applicant household and not reside or visit in the public housing apartment.

2.9. DENIAL OF ELIGIBILITY

RHE will provide a written notice of denial if a family is deemed ineligible for admission.

Before RHE rejects an applicant on the basis of a criminal history or sex offender registration, RHE must notify the household of the proposed rejection and provide the household member whose criminal history is at issue with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

The family will be given 10 business days to contact RHE to request an informal review to dispute the accuracy and relevance of the information. If the family does not contact RHE within that 10-day period, the denial of admission will stand.

2.10. OCCUPANCY STANDARDS

Occupancy standards are established to ensure that units are occupied by families of an appropriate size. RHE's policy is intended to make the best use of scarce housing resources while avoiding overcrowding and preserving Rockville's housing stock from excessive wear and tear.

RHE's policy is based on the assumption that each bedroom will accommodate no more than two (2) persons.

The following guidelines will determine each family's unit size without overcrowding or over-housing:

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
1	1	2
2	2	4
3	3	6
4	4	8

In determining bedroom size, RHE will include the presence of children to be born to a pregnant woman, children who are in the process of being adopted, children whose custody is being obtained, children who are temporarily away at school, or children who are temporarily in foster-care.

In addition, the following considerations may be taken in determining bedroom size:

- Children of the same sex will share a bedroom, unless there is 5 or more years age difference.
- Children of the opposite sex, both under the age of three years will share a bedroom.
- Adults and children will not be required to share a bedroom.
- Foster adults and/or foster children will not be required to share a bedroom with family members.
- Live-in aides will get a separate bedroom.

Exceptions to RHE's standard policy may be made.

RHE will approve a family's request for a unit size smaller than required by RHE policy if the smaller unit will not result in more than two persons occupying one bedroom. Before RHE grants an exception, the family must sign a certification stating they understand they will be ineligible for a different size unit until the family size changes.

RHE may approve a family's request for a larger unit than provided by standard policy if the family provides verification accepted to RHE of a medical need for the larger unit.

If there are no families on the waiting list for a larger size unit, smaller families may be housed if they sign a release form stating they will transfer (at the family's own expense)

to the appropriate size unit when an eligible family needing the larger unit applies. The family transferring will be given a 30-day notice before being required to move.

CHAPTER 3: TENANT SELECTION AND UNIT TRANSFERS

3.1. TENANT SELECTION PREFERENCES

24 CFR 982.207

RHE has chosen to use local preferences to meet local objectives in choosing among applicants. Preferences determine the order in which eligible applicants are selected from the waiting list. Preferences will be granted to applicants who are otherwise qualified and who, at the time of the unit offer (prior to execution of a lease), meet the definitions of the preferences described below.

There are three preference categories. Each category is assigned points. Applicants are placed on the waiting list based first on the applicant's number of preference points; then, among applicants with an identical number of points, based on the applicant's lottery number or the date and time of the application.

3.1.a. Preference Categories

The preferences for which an individual may qualify and the points assigned are as follows:

Preferences	Points
Living and Working in the City Limits of Rockville	4
Living or Working in the City Limits of Rockville	2
Working Families living outside of Rockville	1

These local preferences are based on Rockville community needs and are consistent with the PHA Plan, the Consolidated Plan and Fair Housing laws.

3.1.b. Definition of Preference Categories

An applicant qualifies for a preference if the household meets any of the following conditions:

Living and Working in the city of Rockville

The primary residence of the head, spouse or co-head is within the city of Rockville as verified by one of the following:

Lease, bank statement or utility bill bearing the name of the head, spouse or co-head and an address within the city of Rockville;

Photo identification issued by a government agency such as a driver's license;

Registration of children in local schools; and

Head, spouse or co-head either working or hired to work within the corporate limits of Rockville.

Living or Working in the city of Rockville

The primary residence of the head, spouse or co-head is within the city of Rockville as verified by one of the following:

Lease, bank statement or utility bill bearing the name of the head, spouse or co-head and an address within the city of Rockville;

Photo identification issued by a government agency such as a driver's license;

Registration of children in local schools; or

Head, spouse or co-head either working or hired to work within the corporate limits of Rockville.

A Working Family is defined as an applicant household whose head, spouse or co-head is:

Employed at the time of certification in a position providing a minimum of 20 hours of work each week; or

Age 62 or older; or

A person with disabilities; or

Is participating in an education or training program designed to prepare people for the job market.

RHE public housing staff will verify that an applicant's declared address for residency or work is, in fact, located in the corporate limits of the city of Rockville by confirming that address in the listing of streets and unit numbers as provided by the City of Rockville.

3.1.c. Preference Verification

3.1.c.i. Initial Self-Certification

No verification of local preferences is required at pre-application. Families self-certify preference eligibility and are placed on the waiting list according to lottery number or date and time, and preferences claimed.

An applicant may update his or her application by providing information in writing to RHE, including changes in family composition or income, or preference qualifications, at any time while on the list. RHE staff will annotate the applicant's file and will update the household's place on the waiting list.

3.1.c.ii. Final Verification of Preferences

When the family's application comes to the top of the waiting list, the family will be invited to an interview. At this point in time the family's preference eligibility based on current circumstances must be documented through third-party verification.

3.1.d. Preference Denial

If at final verification of local preferences it is determined that the family does not qualify for the claimed preference, the application will be given a new place on the waiting list based on the family's lottery number or date and time of application but without benefit of the preference originally claimed.

The family will be given written notice that RHE was unable to verify its qualification for the preference status claimed and of their right to request a meeting.

RHE will not hold units vacant for applicants with preferences, nor will it relax eligibility or screening criteria to admit otherwise unqualified applicants with preferences.

3.1.e. Notice and Opportunity for a Meeting

If an applicant claims but does not qualify for a preference, the applicant can request a meeting.

RHE will provide a notice that an applicant does not qualify for a preference giving a brief statement of the reasons for the determination and that the applicant has may meet with RHE's designee to review the determination.

If the applicant requests the meeting, RHE will designate someone to conduct the meeting. This can be the person who made the initial determination or reviewed the determination of his or her subordinate, or any other person chosen by RHE. A written summary of this meeting shall be made and retained in the applicant's file.

The applicant will be advised that he/she may exercise other rights if the applicant believes that illegal discrimination, based on race, color, national origin, religion, age, disability, or familial status has contributed to RHE's decision to deny the preference.

3.1.f. Income Targeting

Families whose incomes are at or below 30% of the area median income are identified by HUD as "extremely low-income" families. Each year, 40% of the families admitted to

RHE's public housing program must be in the extremely low-income group. At the end of each quarter, RHE monitors the income of families that have been admitted during the year and the incomes of families on the waiting list. If a quarterly review indicates that the 40% income targeting requirement will not be met, RHE will skip higher income families on the waiting list, reaching down to select the next extremely low-income family until achievement of the 40% requirement can be assured.

If there are not enough extremely low-income families on the waiting list, RHE will conduct outreach on a non-discriminatory basis to attract extremely low-income families.

3.2. ESTABLISHING AND MAINTAINING THE WAITING LIST

3.2.a. Opening and Closing Waiting Lists

RHE's public housing waiting list is closed when there are sufficient applications to fill anticipated vacancies for the coming 12 months. RHE may elect to: open the list during certain times of the year; or open the list by preference or by size of dwelling unit.

Decisions to open or close waiting lists or open or restrict intake will be publicly announced. The public notice will state when and how to apply.

When the waiting list is closed, RHE does not maintain a list of individuals who wish to be notified when the waiting list is re-opened.

3.2.b. The Application Process

Families who wish to apply to the waiting list must complete a written preliminary application for housing when the list is open. Reasonable accommodation and assistance will be provided to persons with disabilities during the application process.

The application process involves two phases: the initial pre-application for assistance, which results in the family's placement on the waiting list and completion of a full Application for Housing Assistance when the family reaches the top of the waiting list.

3.2.c. Submitting a Pre-application

When the public housing waiting list is open, RHE pre-application forms and instructions are available at RHE's main office or at RHE's website, www.rockvillehe.org, during the open period. RHE staff are available to help families with the pre-application process. The RHE pre-application form requests minimal information about the applicant family and requires the applicant's signature. The pre-application process relies on self-certification.

Completed applications may be mailed, e-mailed, or delivered in person to RHE's main office. Applications delivered in person or by mail/e-mail will be stamped upon receipt at RHE's office with both date and time and with a waiting list control number, during

the period that the waiting list is open. Only those mailed applications with postmarks dated before the closing date of the application period will be accepted.

3.2.d. Waiting List Order

Before the waiting list is opened, RHE's Board of Commissioners will determine whether the applications received will be ordered using a lottery or based on the date and time each application is received.

The waiting list will be ordered by bedroom size, by preference claimed and then by either lottery number or date and time of application depending on the decision of the Board of Commissioners. Each application will be maintained in a permanent file in which any written correspondence between RHE and the applicant will be maintained.

3.2.e. Lottery

When a lottery is to be used to determine the order of applications on the waiting list, RHE will employ a computerized random number generating program to assign each application a sequential number representing its waiting list placement. Lottery numbers will be assigned before preferences are taken into account.

After lottery numbers have been assigned and the waiting list order has been certified, the list will be reordered based on preferences claimed. All applications with an identical number of preference points will be organized within one pool. Within that pool, applications will be ordered according to lottery number, the lowest lottery number placed at the beginning of that preference pool. Within each preference pool there will be breaks in the lottery number sequence where lottery numbers have been assigned to applications in a different preference pool.

For example, the pool for applications with seven preference points might begin with an application with Lottery Number 6 if Numbers 1 through 5 were assigned to applications with fewer preference points. The second Lottery Number in the seven-point pool could be 15 if applications with fewer preference points had received Lottery Numbers 7 through 14. In this example, the application with Lottery Number 6 would have the highest place on the waiting list and the application with Lottery Number 15 would have the second highest place.

3.2.f. Date and Time of Application

If the RHE Board has determined that applications should be ordered by the date and time each application is received, pre-applications will be entered on the waiting list and ordered based on preferences claimed and date and time of application. The date and time of the application will be used to determine the sequence of applications within each preference category.

3.2.g. Notification of Initial Applicant Status

RHE will make a preliminary determination of eligibility based on the information provided on the pre-application and send a written notification of preliminary eligibility by mail within 60 days of the submission deadline to each applicant that submits a completed pre-application. The notification will inform the family of its place on the waiting list and the estimated time until the application will reach the top of the list to the degree RHE is able to estimate that time.

3.2.h. Updating the Waiting List

Once each year RHE will update the waiting list by contacting all applicants in writing through first class mail. If no response is received, RHE will withdraw the name of an applicant from the waiting list. At the time of application, RHE will advise families that they must notify RHE when their circumstances, mailing address, or phone numbers change.

3.2.i. Change in Preference Status While on the Waiting List

The situations of some families who did not qualify for a preference when they applied may change so they become qualified for a preference. The family should inform RHE of such changes in order that their application may be moved up on the waiting list in accordance with their current preference. When a family's application is moved from one preference category to another, their place within the new preference category is determined either by their lottery number or the date and time of their application whichever was used to sort applications at the time they applied. The family will then be informed in writing of how the change in status has affected its place on the waiting list.

3.2.j. Removing Names from the Waiting List

To ensure vacant units are filled in a timely manner, RHE needs a waiting list that is accurate. While each applicant must keep RHE apprised of changes in address, phone number, income or other circumstances, no applicant shall be removed from the waiting list except when one of the following situations occurs:

- The applicant receives and accepts an offer of housing;
- The applicant requests that his/her name be removed from the waiting list;
- The applicant is rejected, either because he/she is ineligible for public housing at the time of certification, or because he/she fails to meet the applicant selection criteria; or
- The application is withdrawn because RHE attempted to contact the applicant and was unable to do so.

In attempting to contact an applicant, the following methods shall be undertaken before an application may be withdrawn:

- The applicant will be sent a letter by first class mail to the applicant's last known address, asking the applicant to contact RHE either by returning the update form or in person, bringing proof of identity;
- When RHE is unable to contact an applicant by first class mail to schedule a meeting, or interview or to make an offer, RHE shall suspend processing of that application until the applicant is either withdrawn (no contact by the applicant) or reinstated (contact by the applicant within the stated deadlines). While an application is suspended, applicants next in sequence will be processed.

Persons who fail to respond to RHE attempts to contact them because of a disability may be entitled to reasonable accommodation upon submitting acceptable verification that the failure was caused by the disability. In such circumstances, RHE will reinstate the applicant to his or her former waiting list position.

Families whose applications are withdrawn or rejected must reapply for housing when the waiting list is open.

All rejected applicants are entitled to a written explanation of the reason for their rejection and an informal review at which they may present reasons why they should not be rejected.

3.3. PROCESSING APPLICATIONS FOR ADMISSION

RHE will accept and process applications in accordance with applicable HUD regulations. RHE will assume that the facts certified to by the applicant in the preliminary application are correct, until those facts are verified later in the application process.

3.3.a. Interviews and Verification Process

As applicants approach the top of the waiting list, they will be notified in writing through first class mail and asked to come to RHE for an interview to complete their applicant file. An applicant may contact RHE to reschedule the application interview at a time of mutual convenience within 14 calendar days of the initially scheduled appointment. Applicants who fail to attend their scheduled interview or to respond to the call-in letter will be sent a notice that their application will be withdrawn from the waiting list unless they contact RHE within 14 calendar days. The application will be withdrawn if the applicant has not responded by the end of the 14-day period.

3.3.b. Offer of a Unit

When a vacant unit is anticipated, RHE will contact the family on the waiting list who has the highest priority for this type of unit.

The Rockville Housing Enterprises will contact the family by first class mail making an offer of the unit. The family will be given five (5) business days from the date the letter was mailed to contact the RHE regarding the offer.

The family will be offered the opportunity to view the unit. After the opportunity to view the unit, the family will have two (2) business days to accept or reject the unit. The offer and the family's decision must be documented in the tenant file.

If more than one unit of the appropriate size and type are available, the first unit to be offered will be the unit that is or will be ready for move-in first. "Ready for move-in" means the unit has no Housing Quality Standards deficiencies and is broom clean. If two units are ready for move-in on the same day, the first unit to be offered will be the unit that became vacant first.

3.3.c. Offering Accessible Units

When an accessible unit becomes available for leasing, RHE will offer it:

First, to a current public housing resident having a disability that requires the special features of the vacant unit.

Second, to the next eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

If there are no current residents or applicants who would benefit from the accessible features, the unit will be offered to the next waiting list applicant requiring a unit in the size available. However, when offering an accessible/adaptable unit to a non-disabled applicant, RHE will require the applicant to sign an agreement to move at their own expense to an available non-accessible unit within 30 days when a current resident or an applicant with a disability needs the unit. This requirement is also reflected in the lease signed with the applicant. A family to which such an offer is made may decline, preferring to wait for a non-accessible unit, without losing its waiting list position.

3.3.d. Rejection of a Unit

If the family rejects the offer of the unit without good cause, the family's name will be removed from the waiting list. RHE will send the family a letter documenting the offer and the rejection and informing the family of the right to an informal review.

If the family rejects a unit with good cause, the family will forfeit its place on the waiting list but will be returned to the waiting list at the end of the preference category for which the family qualifies. The method used to assign the family's new place on the waiting list will vary depending on whether the existing list was developed using a lottery or date and time of the applications submitted. If the existing list was created using a lottery, RHE will assign a new "lottery" number which is the next lower number below either the lowest number assigned through the lottery or the number that follows the most recently assigned "lottery" number given to the last applicant to reject a unit with good cause. If the existing list was created using the time and date of the applications received, the family's application will be given the time and date that the unit was rejected. The family will maintain the preferences for which they qualify.

Good cause includes reasons related to health, proximity to work, school, and childcare (for those working or going to school).

If an applicant is willing to accept the unit offered but presents clear evidence of their inability to move at the time of the offer the family will maintain its place on the waiting list. However, if a second unit is offered and the family refuses a second unit for any reason, their application will be removed from the waiting list.

3.3.e. Acceptance of Unit

The family will be required to sign a lease that will become effective no later than three (3) business days after the date of acceptance or the business day after the day the unit becomes available, whichever is later.

Prior to signing the lease all families (head of household) and other adult family members will be required to attend the Lease and Occupancy Orientation when they are initially accepted for occupancy. The family will not be housed if they have not attended the orientation. Applicants who provide prior notice of an inability to attend the orientation will be rescheduled. Failure of an applicant to attend the orientation, without good cause, may result in termination of the unit offer and voiding of the housing application. If the housing application is voided, the family must submit an application when the waiting list is open to have another opportunity for a unit offer.

During the Lease and Occupancy Orientation, the applicant will be provided a copy of the lease, the grievance procedure, schedules for utility allowances and excess utility charges, the current schedule of routine maintenance charges, and a request for reasonable accommodation form. These documents will be explained in detail. The applicant will sign a certification that they have received these documents and that they have reviewed them with RHE personnel. The certification will be filed in the tenant's file.

The head of household and all adult family members will be required to execute the lease prior to admission. RHE and the family each receive one executed copy of the lease.

3.4. SECURITY DEPOSIT

The family will pay a security deposit at the time of lease signing. The security deposit will be equal to: the Total Tenant Payment or \$250.00, whichever is greater

In exceptional situations, RHE may allow a new resident to pay the security deposit in up to three (3) payments. One third shall be paid in advance, one-third with the second rent payment, and one-third with the third rent payment. This shall be at the sole discretion of the Rockville Housing Enterprises.

3.5. Unit Transfers

3.5.a. Objectives of the Transfer Policy

RHE's transfer policy is intended to:

- (1) Address emergency situations.
- (2) Permit full utilization available housing resources while avoiding overcrowding by insuring that each family occupies the appropriate size unit.
- (3) Facilitate relocation when required for modernization or other management purposes.
- (4) Facilitate relocation of families with inadequate housing accommodations.
- (5) Eliminate vacancy loss and other expense due to unnecessary transfers.
- (6) Assist a family's self-sufficiency efforts (for scattered site housing).

The provisions of this policy are to be used as a guide to insure fair and impartial means of assigning units for transfers and are not intended to create a property right or any other type of right for a tenant to transfer or refuse to transfer.

3.5.b. Categories of Transfers

3.5.b.i. *Category 1: Emergency transfers*

Emergency transfers are necessary when conditions pose an immediate threat to the life, health, or safety of a family or one of its members. Such situations may involve defects of the unit or the building in which the unit is located or the health condition of a family member.

3.5.b.ii. *Category 2: Immediate administrative transfers*

Immediate administrative transfers permit a family needing accessible features to move to a unit with such a feature or enable modernization work to proceed.

3.5.b.iii. *Category 3: Regular administrative transfers*

Regular administrative transfers are made to correct occupancy standards when a family occupies a unit that is inappropriate for the family's size and composition, to allow for non-emergency but medically advisable transfers and when a transfer is the only or best way of solving a serious problem.

3.5.b.iv. Category 4: Incentive Transfers

Incentive Transfers are offered to families who have demonstrated that they have been active at working towards self-sufficiency.

3.5.c. Documentation

When the transfer is at the request of the family, the family may be required to provide third party verification of the need for the transfer.

3.5.d. Regular Administrative Transfers: Unit Too Small

If the reason for the transfer is that the current unit is too small to meet RHE's optimum occupancy standards, the family may request in writing to stay in the unit without being transferred so long as their occupancy will not exceed two people per living/sleeping room.

3.5.e. Incentive Transfers

Residents of David Scull Courts who have demonstrated serious efforts toward self-sufficiency may request a transfer to scattered-site housing. Families approved for such transfers will meet the following eligibility criteria:

- (1) The family has been a tenant for one year;
- (2) For a minimum of one year, at least one adult family member is enrolled in an economic self-sufficiency program, is working at least thirty-five (35) hours per week, is 62 years of age or older or disabled or is the primary care giver to household members with disabilities;
- (3) All adult members who are required to perform community service have been current in these responsibilities since they became subject to the requirement or for one year which ever is less;
- (4) The family is current in the payment of all charges owed the Rockville Housing Enterprises and has not paid late rent for at least one year;
- (5) The family passes a current housekeeping inspection and does not have any record of housekeeping problems during the last year;
- (6) The family has not materially violated the lease during the past two years by disturbing the peaceful enjoyment of their neighbors, by engaging in criminal or drug-related activity, or by threatening the health or safety of tenants or RHE staff.

- (7) The head of household has completed a series of classes conducted by Rockville Housing Enterprises on basic home and yard care.

3.5.f. Transfer Requests

A tenant may request a transfer at any time by completing a transfer request form. In considering the request, Rockville Housing Enterprises may request a meeting with the tenant to better understand the need for transfer and to explore possible alternatives. RHE will review the request in a timely manner and if a meeting is desired, contact the tenant to schedule a meeting.

RHE grant or deny the transfer request in writing within ten (10) business days of receiving the request or holding the meeting, whichever is later.

If the transfer is approved, the family's name will be added to the transfer waiting list.

If the transfer is denied, the denial letter will advise the family of their rights under the grievance procedure.

3.5.g. Transfer Procedures

Transfer requests are ordered by date and time.

Upon offer and acceptance of a unit, the family will execute all lease up documents and pay any rent due within two (2) days of being informed the unit is ready to rent. The family will be allowed seven (7) days to complete a transfer. The prorated rent and other charges (key deposit and any additional security deposit owing) must be paid at the time of lease execution.

In the case of a move within public housing, the security deposit for the first unit will be transferred to the second unit. If the security deposit for the second unit is greater than that for the first, the difference will be collected from the family. Conversely, if the security deposit is less, the difference will be refunded to the family.

In the event there are costs attributable to the family for bringing the first unit into condition for re-renting, the family shall be billed for these charges.

3.5.h. Rejecting a Transfer Unit

3.5.h.i. Emergency and administrative transfers. Refusal of a transfer offer without good cause, is grounds for termination of tenancy.

3.5.h.ii. Incentive transfers. A family may reject one unit offer without losing their place on the transfer waiting list if they are able to provide acceptable evidence that there was a good cause for their rejection. However, a family that rejects a second offer will

be removed from the transfer waiting list and will not be eligible to reapply for 12 months.

3.5.i. Moving Expenses

3.5.i.i. The cost of the transfer will be borne by the family in the following circumstances:

- (1) When the transfer is made at the request of the family or by others on behalf of the family (i.e. by the police);
- (2) When the transfer is needed to move the family to an appropriately sized unit, either larger or smaller;
- (3) When the transfer is necessitated because a family with disabilities needs the accessible unit.
- (4) When a family without disabilities living in an accessible unit is asked to move to a standard unit. (The family will have signed a statement to this effect prior to accepting the accessible unit); or
- (5) When the transfer is needed because an action or inaction by the family caused the unit to be unsafe or uninhabitable.

3.5.i.ii. The cost of the transfer will be borne by RHE in the following circumstances:

- (1) When the transfer is needed to carry out rehabilitation activities; or
- (2) When an action or inaction by the Rockville Housing Enterprises has caused the unit to be unsafe or inhabitable.

3.5.i.iii. The responsibility for moving costs in other circumstances will be determined on a case-by-case basis.

CHAPTER 4: ANNUAL AND ADJUSTED INCOME AND VERIFICATION

4.1. ANNUAL INCOME 24 CFR 5.609

Annual income means all amounts, monetary or not, which:

- (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; and
- (2) Are based on, at the time of admission, reexamination, or recertification:
 - (i.) Actual income being received (projected forward for a 12-month period); or
 - (ii.) Past actual income received or earned within the last 12 months of the determination date, as HUD may prescribe.
- (3) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

4.1.a. Annual Income - Includes, but is not limited to:

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The net income from operation of a business or profession.
 - a. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income.
 - b. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation.
 - c. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;
- (3) Interest, dividends, and other net income of any kind from real or personal property.
 - a. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the Family.
 - b. Where the Family has Net Family Assets in excess of \$5,000, Annual income includes the greater of the actual income derived from all Net Family Assets or a percentage of the value of such Assets based on the current passbook savings rate, as determined by HUD;

- (4) The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment (*except as described under "Annual Income Excludes" below*);
- (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (*except as described under "Annual Income Excludes" below*);
- (6) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;
- (7) Payment of a welfare allowance or grant, including any imputed welfare income (see Glossary);
- (8) All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the Family, spouse, or other family members whose dependents are residing in the unit (*except as described under "Annual Income Excludes" below*); and

4.1.b. Annual Income - Excludes the following:

- (1) Income from employment of children (including foster children) under the age of 18 years;
- (2) Payments received for the care of foster children or foster adults (see Glossary);
- (3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;
- (4) Amounts received by the family, that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide;
- (6) The full amount of student financial assistance paid directly to the student or to the educational institution;
- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8) Amounts received under training programs funded by HUD;

- (9) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
- (10) Amounts received by a participant in other publicly-assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
- (11) A resident service stipend. This is a modest amount, not to exceed \$200 per month, received by a resident for performing a service for the PHA, on a part-time basis, that enhances the quality of life in the development;
- (12) Incremental earnings and benefits from participation in qualifying state or local employment training programs and training of a family member as resident management staff when the training program includes clearly defined goals. Payments may be excluded only while the family member participates in the training program.
- (13) Temporary, nonrecurring or sporadic income (including gifts) (see Glossary);
- (14) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- (15) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- (16) Adoption assistance payments in excess of \$480 per adopted child;
- (17) Deferred periodic payments of Supplemental Security Income and Social Security benefits that are received in a lump sum;
- (18) Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;
- (19) Amounts paid by a state agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
- (20) Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. These exclusions include:

- (i) Food Stamp allotment;
- (ii) Payments to volunteers under the Domestic Volunteer Service Act of 1973 (employment through VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions);
- (iii) The first \$2,000 in payments per year received under the Alaska Native Claims Settlement Act;
- (iv) Income derived from certain submarginal land of the United States which is held in trust for certain Indian tribes;
- (v) Payments or allowances made under Department of Health and Human Services' Low-Income Energy Assistance Program;
- (vi) Payments received under programs funded in whole or in part under the Job Training Partnership Act;
- (vii) Income derived from the disposition of funds of the Grant River Band of Ottawa Indians;
- (viii) The first \$2,000 of per capita shares received from judgement funds awarded by the Indian Claims Commission or the Grant of Claims or from funds held in trust for an Indian tribe by the Secretary of Interior and up to \$2,000 per year of income received by individual Indians from trusts or restricted lands held by the Secretary of Interior for the benefit of individual Indians. (Exclusions apply on a per person basis);
- (ix) Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs;
- (x) Payments received from programs funded under Title V of the Older Americans Act of 1965;
- (xi) Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other Agent Orange settlement fund;
- (xii) Payments received under the Maine Indian Claims Settlement Act of 1980;
- (xiii) The value of any child care provided or reimbursed under the Child Care and Development Block Grant Act of 1990; and
- (xiv) Earned income tax credit refund payments;

(xv) The low-income subsidy received to assist low-income persons in paying for their Medicare prescription drug plan costs; and

(xvi) Payments for living expenses under the AmeriCorps Program.

4.1.c. Historical amounts.

If RHE is unable to determine annual income using current information because the family reports little to no income or because income fluctuates, RHE may average past actual income received or earned within the 12 months before the certification date to calculate annual income.

RHE may also ask the family to provide documentation of current income. If the family can provide acceptable documentation dated either within the 60-day period preceding the certification effective date or the 60-day period following the request date, RHE may use this documentation to determine annual income.

RHE may reject any income documentation based on reasons described by HUD.

4.1.d. Averaging Income.

All current income should be annualized. If income cannot be anticipated, RHE staff will average the known sources of income, or annualize the current income and conduct an interim exam if income changes.

4.1.e. Minimum Income.

There is no minimum income requirement. Families who verify their income at zero may be served, but must report any income in the month it begins.

4.1.f. Income of Absent Family Member.

Any member of the household will be considered permanently absent if he or she is away from the unit for more than three consecutive months or more than 120 days in a calendar year.

A family member who is absent due to hospitalization or other confinement for medical reasons may continue as a member of the household for up to 180 days if verification of the medical need for confinement is received from a medical professional.

The income of the family member who is temporarily absent is included in the annual income for the household.

4.1.g. Income of Dependent.

Although the earned income of minors is not included in annual income, benefits and other non-earned income are included.

4.1.h. Reductions in Welfare Assistance 24 CFR 5.615

Neither annual income nor rent is adjusted to reflect a loss of welfare payments when the welfare reduction is the result of fraud, failure to participate in an economic self-sufficiency program or failure to comply with a work requirement.

The term “imputed welfare income” is used for the amount of lost welfare income that is included in annual income. “Imputed welfare income” is equal to the amount of the welfare reduction less any new income acquired by the family since the welfare reduction. When the new income equals the welfare reduction, imputed welfare income is reduced to zero.

RHE will obtain written verification from the welfare agency that a family’s benefit reduction was due to fraud or noncompliance before refusing to reduce the family’s rent. This provision does not apply if welfare benefits are reduced due to a lifetime limit on the receipt of benefits or a situation in which the family has complied with welfare requirements but cannot find employment.

The provision does not apply to a family that was not a public housing resident at the time of the welfare sanction.

RHE is not responsible for determining whether a deduction of welfare benefits by the welfare agency was correctly determined by the welfare agency.

4.1.i. Earned Income Disregard 24 CFR 960.255

Some increases in the earned income of persons who were previously unemployed or were participating in a self-sufficiency program or receiving TANF will be excluded from annual income for a period of two years.

This exclusion pertains only to a resident whose income increases if that person:

- (1) Was unemployed for the past year or more; or
- (2) Is participating in any economic self-sufficiency or other job training program; or
- (3) Became employed or received increased earnings during or within six months after receiving assistance benefits or services under any state TANF program.

RHE will exclude all of the increased income of such a person for a *cumulative* 12-month period.

For a second cumulative 12-month period, RHE will exclude 50% of the increase in such a person’s income.

The eligibility of any individual for the earned income disregard is 48 months from the date of the first exclusion.

4.2. INCOME FROM ASSETS 24 CFR 5.603 and 5.609

Income received from assets held by household members is included in annual income. When net family assets are \$5,000 or less, the actual income from assets is added to annual income. If assets total more than \$5,000, income from the assets is “imputed,” and the greater of actual asset income and imputed asset income is counted in the annual income.

4.2.a. Assets Include:

- (1) Amounts in savings and checking accounts
- (2) Stocks, bonds, money market funds and other investment accounts
- (3) Equity in real property or other capital investments
- (4) Cash value of trusts available to the family
- (5) Retirement savings accounts
- (6) Lump sum payments including inheritances, lottery winnings, capital gains, and insurance settlements
- (7) Personal property held as investments, such as collections
- (8) Cash value of life insurance policies
- (9) Assets disposed for less than fair market value but more than \$2,000 during the two years preceding the eligibility certification for the program

4.2.b. Assets Exclude:

- (1) Necessary personal property such as furniture and automobiles
- (2) Interest in Indian trust lands
- (3) Assets that are part of an active business or farming operation
- (4) Assets not accessible by the family, such as a trust
- (5) Handicapped-equipped vehicles
- (6) Equity in cooperatives or manufactured homes occupied by the family
- (7) The value of a home currently being purchased through the Section 8 Homeownership program. This exclusion is limited to the first ten years after the purchase date of the home.

4.2.c. Net Family Assets means the net cash value of all household assets after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment.

4.2.d. Assets Disposed of for Less than Fair Market Value.

In determining net family assets, RHE shall include the value of any family assets disposed of by an applicant or tenant for less than fair market value that is in excess of

the consideration received therefore. Such amounts shall be counted as assets for two years following the date of disposition. These amounts will be counted only when the total value of assets disposed of exceeds \$2000.

Assets disposed of as the result of a separation or divorce settlement, foreclosure, or bankruptcy will not be considered to be disposed of for less than fair market value

4.2.e. Trusts.

A trust over which members of the household have no control and to which they have no access will not be considered an asset. Any income distributed from the trust to a member of the household shall be counted when determining annual income.

4.3. ADJUSTED INCOME 24 CFR 5.611 (See Glossary)

Adjusted income is annual income after deducting the following allowances.

- (1) **Dependent Allowance.** \$480 for each dependent
- (2) **Elderly Household Allowance.** \$400 for an elderly family or disabled family
- (3) **Allowance for Medical Expenses.** An allowance for medical expenses is given to any family in which the head, spouse or co-head is elderly (62 years or older), or disabled. The amount of the allowance is equal to the total of medical expenses for all family members less 3% of annual income.
- (4) **Allowance for Childcare Expenses.** An allowance for the care of children under 13 years of age is given to enable a family member to work, search for work or go to school. The allowance cannot exceed the amount earned by the member able to work because childcare was available. An allowance is not given for any childcare cost that is reimbursed by anyone outside the family (for example, Purchase of Care or Working Parents' Assistance Programs).
- (5) **Allowance for Disability Assistance.** An allowance is deducted to cover an expense exceeding 3% of annual income for a care attendant or any "auxiliary apparatus" for a disabled family member if:
 - a. The expense enables an adult family member to work (including the disabled family member); and
 - b. The allowance does not exceed the amount earned by the member or members who are enabled to work by the expense.
 - c. If a household is eligible to receive an allowance for medical expense and disability assistance, 3% of income is deducted first from total medical expenses. If 3% of income is greater than total medical expenses, the remainder of the 3% is deducted from disability assistance expenses.

4.4. VERIFICATION PROCEDURES

RHE must verify all factors affecting a household's eligibility, preference and rent payment.

4.4.a. EIV and Third-Party Verification

Wherever possible, RHE must obtain verification from third-party sources. For current program participants, verification of employment income or Social Security or unemployment benefits must include data from HUD's Enterprise Income Verification (EIV) system. Through its EIV system, HUD provides employment data reported to state wage information agencies and information on amounts paid as Social Security or unemployment benefits.

In addition to EIV data, RHE requires verification directly from the source of income, from those who receive payment for deductible expenses and from institutions or professionals who have information relevant to a family's eligibility or rent.

Third-party verification may include:

- (1) Written verification mailed directly from the third party to RHE;
- (2) Oral verification, generally by telephone, when RHE staff is able to determine that the person providing information is the person who should be providing the required verification; or
- (3) Electronic verification sent directly to RHE by fax or obtained from the internet.

Third-party verification can never be hand carried by the family. Telephone calls to obtain third-party oral verification must be originated by RHE staff. Staff must document an oral verification in writing in the file including the date of the conversation, the name and position of the person providing the information and the information provided.

On any occasion that RHE is unable to obtain third party verification, staff must document the participant file to explain why.

4.4.b. Review of Documents

When third-party verification cannot be obtained, staff will review original documents provided by the family. Staff may use a review of documents in instances where no third-party source is available (for example, date of birth) or when staff has made two attempts to obtain third-party verification over a two-week period without result. All attempts to obtain verification must be documented in the tenant file.

4.4.c. Tenant Self-Certification

RHE may accept a family's self-certification of relevant facts only when no other verification has been possible. A self-certification does not need to be notarized, but it must be signed and dated by the family member making the certification.

4.4.d. Timing of Verification

Verification must be dated within 90 days of the date a certification or recertification is effective. If verification is more than 90 days old, RHE will obtain new verification.

If third-party verification is received after documents have been accepted as provisional verification and there is a discrepancy, RHE will determine which information is the most accurate and implement interim rent changes if required.

The table on the next page outlines factors that must be verified and common methods that can be used for verification.

4.4.e. Verifying a Departing Household Member

Families reporting that an adult member has left the household must provide verification of that departure. Verification must be conclusive evidence that the departing member has a new residence. Examples of acceptable documents include an executed lease in the member's name, a new driver's license with a new address, or a current utility bill or bank statement with a new address. Self-certification cannot be used to verify a household member's departure unless approved by the Executive Director.

PHA VERIFICATION REQUIREMENTS TABLE		
	through ASVI	immigration documents are required but alone do not satisfy verification requirement.)
Live-in aide	Medical professional's statement that live-in aide is required	NA
Medical Expenses	NA	Receipts, cancelled checks, pharmacy record or statements showing periodic payments
Item to be Verified	Third-Party Verification	Hand-Carried Documents
Net income from a business	NA	Income tax return; financial statement for business
Personal property held as an investment	NA	Assessor's report; purchase receipts;
Real property	NA	Property tax statement; rental income and expense records or tax return
Recurring contributions and gifts	Statement from donor	NA
Self-employment income, tips	NA	Income tax return
Social Security income	EIV	Current benefits award letter
Social Security number	NA	Social Security card; ID card issued by gov't agency, insurance provider, employer or trade union; pay stubs; bank statement; Form 1099; benefit award letter; insurance policy; court record
TANF (Temporary Assistance to Needy Families)		TANF award letter
TCA (Temporary Cash Assistance)		TCA award letter
Unemployment compensation		Benefit notification letter; copies of checks
Zero Income	NA	Zero income form

PHA VERIFICATION REQUIREMENTS TABLE		
Item to be Verified	Third-Party Verification	Hand-Carried Documents
Age	NA	Birth certificate, baptismal certificate, military discharge papers, passport, SS benefits page
Alimony or child support	Separation/divorce agreement; Court statement showing payments or non-payment	Copy of recent checks; Separation/divorce agreement
Assets disposed of for less than fair market value	NA	Certification by application or participant
Assistance Animal	Medical professional's statement that animal is required	NA
Auxiliary apparatus	Medical professional's statement that apparatus is required	Copies of receipts, cancelled checks or statements showing periodic payments
Care attendant	Statements from medical professional that care is required, from attendant as to amount of payment	Copies of receipts, cancelled checks or statements showing periodic payments
Child care expense	Statement from provider of payment amount, hours of care, names of children; verification of employment, student status and/or job search	Copies of receipts, cancelled checks or statements showing periodic payments
Disability status	Medical professional's statement that person qualifies under the definition of disability	SS disability award letter
Dividend income & savings account interest	Bank verification; electronic statement printed at RHE's office	Current bank statements
Employment Income	EIV print out; employer's verification form; oral employer's verification	Current pay stubs for 6 consecutive weeks; W-2 forms
Family Composition	NA	Birth & marriage certificate; divorce decrees; school records; utility bills
Full-time student status	Written or oral statement from school	School records
Immigration status	Verification from DHS	(Declaration and

CHAPTER 5: RENT DETERMINATION

5.1. DETERMINATION OF TOTAL TENANT PAYMENT AND TENANT RENT

5.1.a. Family Choice

At admission and each year before the annual reexamination, each family is given the choice of an income-based rent or a flat rent.

5.1.b. Income-Based Rent

A family who selects an income-based rent will pay the highest of:

- 10% of monthly income;
- 30% of adjusted monthly income; or
- The minimum rent.

This amount is referred to as the Total Tenant Payment or TTP.

5.1.c. Flat Rent

Flat rents represent the market value of RHE's housing units. RHE sets a flat rent for each public housing unit determining what a market tenant would be willing to pay for rent based on the size and type of the unit, as well as its condition, amenities, services, and neighborhood. The amount of the flat rent is reevaluated annually and adjustments applied as necessary. Rent changes become effective on the anniversary date for each affected family after the family has received a 30-day notice of the change.

RHE posts a schedule of flat rents at the David Scull management office and at the central office.

Families who opt for the flat rent go through an income reexamination every three years, rather than annually.

A family paying a flat rent will be offered the opportunity to return to an income-based rent once each year at the family's lease anniversary date. Between anniversary dates, a family may ask to return to an income-based rent only when changes in family circumstances make the flat rent a hardship for the family. (See Interim Recertifications.)

5.1.d. Minimum Rent

RHE requires residents to pay a minimum rent of \$50 for the cost of rent and utilities. However if the family requests a hardship exemption, RHE will immediately suspend the minimum rent for the family until it can determine whether the hardship exists and whether the hardship is of a temporary or long-term nature.

A hardship may exist in the following circumstances:

- When a family has lost eligibility for or is waiting an eligibility determination for a Federal, State, or local assistance program;
- When the family would be evicted as a result of the imposition of the minimum rent requirement;
- When the income of the family has decreased because of changed circumstances, including loss of employment;
- When the family has an increase in expenses because of changed circumstances, for medical costs, childcare, transportation, education, or similar items;
- When a death has occurred in the family.

No hardship. If RHE determines there is no qualifying hardship, the minimum rent will be reinstated, including requiring back payment of minimum rent for the time of suspension.

Temporary hardship. If RHE reasonably determines that there is a qualifying hardship but that it is of a temporary nature, the minimum rent will not be imposed for a period of 90 days from the date of the family's request. At the end of the 90-day period, the minimum rent will be imposed retroactively to the time of suspension. RHE will offer a repayment agreement in accordance with Section 6.2.d. of this policy for any rent not paid during the period of suspension. During the suspension period RHE will not evict the family for nonpayment of the amount of tenant rent owed for the suspension period.

Long-term hardship. If RHE determines there is a long-term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists.

Appeals. The family may use the grievance procedure to appeal a determination regarding the hardship. No escrow deposit will be required in order to access the grievance procedure.

5.1.e. Rent for Mixed Families

A mixed family is one in which some members are citizens or eligible immigrants and some members are not citizens and do not have eligible immigration status. The family's assistance is prorated in the following manner:

Determine the 95th percentile of gross rents (tenant rent plus utility allowance) for Rockville Housing Enterprises. The 95th percentile is called the maximum rent.

Subtract the family's total tenant payment from the maximum rent. The resulting number is called the maximum subsidy.

Divide the maximum subsidy by the number of family members and multiply the result times the number of eligible family members. This yields the prorated subsidy.

Subtract the prorated subsidy from the maximum rent to find the prorated total tenant payment. From this amount subtract the full utility allowance to obtain the prorated tenant rent.

5.2. PAYING RENT

Rent and other charges are due and payable on the first day of the month. All charges assessed under the lease constitute rent and should be paid at 621-A Southlawn Lane, Rockville, MD. As a safety measure, no cash can be accepted.

If rent is not paid by the fifth of the month, a Notice to Vacate will be issued to the tenant. A 5% late fee will be charged for all rents received after the 10th of the month. If rent is paid by a personal check and the check is returned for insufficient funds, this shall be considered non-payment of rent. Returned check fees will be applied to the tenant's outstanding rent balance.

RHE's acceptance of partial payments shall not constitute a waiver of a notice of termination unless agreed to in writing by RHE.

5.3. UTILITIES

5.3.a. Utility Allowance

Where a resident paying an income-based rent is responsible for some or all utilities, the rent is reduced by the amount of a utility allowance for that unit. Flat rents are set at a level that assumes the resident is responsible for paying all utilities; therefore, utility allowances do not apply to flat rent tenants.

RHE establishes a utility allowance schedule for all tenant-paid utilities. The allowance is based on the cost for reasonable consumption of utilities by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful environment. In setting the allowance, RHE may review the actual consumption of tenant families, as well as base changes on the Housing Opportunities Commission of Montgomery County's Utility Allowance study and incorporate their allowances. Allowances are evaluated annually and must be adjusted at any time utility rates have changed by 10%.

The utility allowance is subtracted from the family's income-based Total Tenant Payment to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to Rockville Housing Enterprises. The amount of the utility allowance is available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs

below the amount of the allowance belongs to the tenant. Paying the utility bill is the resident's obligation under RHE's lease. Failure to pay utilities is grounds for lease termination and eviction.

If a resident's Total Tenant Payment is less than the utility allowance, RHE will pay a utility reimbursement equal to the difference between one month's total tenant payment and the utility allowance to the resident to enable the resident to pay the utility company.

When a resident makes application for utility service in his/her own name, he or she shall sign a third-party notification agreement so that RHE will be notified if the resident fails to pay the utility bill.

If an applicant is unable to get utilities connected because of a previous balance owed the utility company at a prior address, the applicant will not be admitted and will receive a Notice of Rejection.

5.3.b. Excess Utility Charges

RHE also has a schedule of consumption allowances for apartments at David Scull Courts where RHE pays electric bills and monitors the actual usage recorded by a check meter for each apartment. Any consumption in excess of the consumption allowance is billed to the tenant monthly.

Utility allowance revisions based on rate changes shall be effective retroactively to the first day of the month following the month in which the last rate change took place. Revisions based on changes in consumption or other reasons shall become effective at each family's next annual reexamination.

Families with high utility costs are encouraged to contact RHE for an energy analysis. The analysis may identify problems that can be corrected to reduce energy costs. The analysis can also assist the family in identifying ways they can reduce their consumption.

Residents with disabilities may ask RHE to provide a higher utility allowance or reduced charge for excess utility consumption as a reasonable accommodation if the resident can verify a need for special equipment because of the disability.

**CHAPTER 6: CONTINUED OCCUPANCY:
Annual and Interim Reexamination, Community Service**

6.1. ANNUAL RECERTIFICATIONS

At least annually, RHE will conduct a recertification of family circumstances for every resident and provide each family the opportunity to make a choice between an income-based rent and a flat rent.

All residents paying an income-based rent must complete an annual recertification of income. Residents paying a flat rent must complete an income recertification every three years.

Before a resident's annual renewal date, RHE will send a notification letter to schedule the family for a recertification interview and to give them the option of an income-based rent or a flat rent. The letter will include instructions as to what information must be provided at the interview. All residents will be required to sign a form indicating their request for a flat rent or an income-based rent for the coming year.

Residents paying a flat rent will be required to provide current information about family composition. They will be informed of the date of their next recertification of income and of the approximate amount and effective date of any anticipated rent increase.

Residents paying an income-based rent and flat-rent residents scheduled for a triennial income review will be asked to provide complete information about all factors related to income and rent. The family will inform RHE of its preference for an income-based rent or a flat rent at the interview.

A family may contact RHE prior to the appointment to reschedule the interview or to request a reasonable accommodation for a disability.

During the appointment, RHE will determine whether a family's composition may require a transfer to a different bedroom size unit, and if so, the family's name will be placed on the transfer list.

6.1.a. Missed Appointments

If the family fails to respond to the letter and fails to attend the interview, a second letter will be mailed. The second letter will advise of a new time and date for the interview, allowing for the same considerations for rescheduling and accommodation as above. The letter will also advise that failure by the family to attend the second scheduled interview will result in the Rockville Housing Enterprises taking eviction action against the family.

6.1.b. Effective Date of Rent Changes for Annual Reexaminations

The new rent will generally be effective upon the anniversary date. A family will be given 30 days notice of any rent increase.

If the rent determination is delayed due to a reason beyond the control of the family, a rent increase will be effective the first of the month after the month in which the family receives a 30-day notice of the amount. If the new rent is a reduction, the reduction will be effective on the anniversary date.

If the family caused a delay in recertification procedures, any increase in rent will be effective on the anniversary date. Any reduction will be effective the first of the month after the rent amount is determined.

6.2. INTERIM REEXAMINATIONS

6.2.a. Required Interim Reporting

All residents are required to report any change in family composition within 10 days of the change. Failure to report within 10 calendar days may result in eviction for non-compliance with lease requirements or in a retroactive rent increase. Failure to report a change will not result in a retroactive rent reduction.

Families paying an income-based rent are required to report the following changes to income within 10 days of the change:

- An unemployed person becomes employed
- A person who had no income begins to receive income of any kind
- A family may report a change that would result in a decrease in rent. RHE will process any such change that will last more than 30 days.

A family paying a flat rent may report a change and request a change to an income-based rent if:

- The family's income has decreased; or
- Expenses that may be deducted from income have increased; or
- The family faces other circumstances which create a hardship and an income-based rent would be more financially feasible for the family.

During an interim recertification, RHE will seek verification of only those things that have changed since the family's last recertification.

6.2.b. Special Reexaminations

A family with no income or one whose income is too unstable to project for 12 months, will be scheduled for special reexaminations every sixty (60) to ninety (90) days until the income stabilizes and an annual income can be determined.

6.2.c. Effective Date of Rent Changes Due to Interim or Special Reexaminations

When rent increases due to an income change the family was required to report, the new rent will be effective after a 30-day notice to the family if the family has reported the change in a timely manner. If the resident fails to report a change as required, the

resulting rent increase will become effective on the day it would have been effective had the family reported it within 10 days of the change.

Interim rent decreases will be effective the first of the month following the date the change is reported to RHE.

6.2.d. Repayment Agreements

At its sole discretion, RHE may offer a repayment agreement to a resident who is unable to pay a balance due RHE by the due date. Repayment agreements must be in writing and signed by RHE and the head of household. The term generally may not exceed 3 months. Failure to comply with terms of a repayment agreement is cause for termination of tenancy.

6.2.e. Remaining Family Members and Prior Debt

Remaining family members age 18 years or older will be held responsible for arrearages incurred by the former head or spouse. RHE will not hold remaining family members (other than the head or spouse) responsible for any portion of the arrearage incurred before the remaining member attained age 18. Remaining family members under age 18 shall not be held responsible for the rent arrearages incurred by the former head of household.

6.3. COMMUNITY SERVICE REQUIREMENT

24 CFR 960.600-609

6.3.a. Community Service Requirement

Any unemployed adult resident who is not identified as exempt is required to perform eight hours of community service every month.

RHE will not renew the lease of any family that is not in compliance with the community service requirement or an approved Agreement to Cure. The household will be subject to eviction proceedings if it includes an adult who has not complied with this requirement.

6.3.b. Exempt Adult

The community service requirement applies to all adults who are not exempt. Exempt adults are family members who:

- **Are 62 years of age or older;**
- Have a disability that can be verified that prevents him/her from being gainfully employed;
- Is verified to be the fulltime caretaker of a disabled person;
- Is working at least 30 hours a week; or
- Qualifies as a full-time student at a secondary school or an institution of higher learning.

6.3.c. Service Requirements

At least eight hours of activity must be performed each month.

The individual may not skip a month and then double up the following month, unless circumstances warrant special consideration. RHE will make the determination whether to allow or disallow a deviation from the schedule.

The eight hours per month may be either volunteer work or self-sufficiency program activity or a combination of the two. Political activity is excluded. Community service activity must not take the place of work performed by paid employees.

6.3.d. Family Obligations

At lease execution and recertification all adult members of a public housing family must:

- Sign a certification that they have received and read this policy and understand that, if they are not exempt, failure to comply with the Community Service requirement will result in termination of their lease.
- Certify and provide documentation for each adult family member that she/he is or is not exempt from the Community Service requirement.
- Submit monthly a completed form documenting activities performed by each non-exempt family member (including for those family members who were non-exempt for a portion of the year).

6.3.e. Change in Exempt Status

If a non-exempt person becomes exempt between annual reviews, it is his/her responsibility to report this to the Director of Asset Management. Similarly, if an exempt person becomes non-exempt, it is his/her responsibility to report this to the Director of Asset Management. The Director will provide the person with the Recording/Certification documentation form and information on volunteer and training opportunities.

6.3.f. RHE Obligations

To the greatest extent possible, RHE will:

Provide names and contact information for agencies that can provide opportunities for residents, including those with disabilities, to fulfill their Community Service/Self-Sufficiency obligations;

Include a disabled person who is otherwise able to be gainfully employed since such an individual is not exempt from the Community Service requirement; and
Provide referrals for volunteer work or self-sufficiency programs.

The Director of Asset Management will provide the family with exemption verification forms and Recording/Certification documentation forms and a copy of this policy at initial application and at lease execution. RHE will make the final determination as to whether or not a family member is exempt from the Community Service/Self-Sufficiency requirement. Residents may use RHE's Grievance Procedure if they disagree with RHE's determination. RHE will review and verify family compliance with service requirements monthly.

CHAPTER 7: INSPECTIONS

7.1. Move-in Inspections

Rockville Housing Enterprises (RHE) and an adult member of the family will inspect the unit prior to signing the lease. Both parties will sign a written statement of the condition of the premises and all equipment. A copy of the signed inspection will be given to the family and the original will be placed in the tenant file.

7.2. Annual Inspections

RHE will inspect each public housing unit annually to ensure that each unit meets RHE's housing standards. Work orders will be submitted and completed to correct any deficiencies.

7.3. Special Inspections

A special inspection may be scheduled to enable HUD or others to inspect a sample of the housing stock maintained by the Rockville Housing Enterprises.

7.4. Housekeeping Inspections

At least once each year, and more often if necessary, RHE will conduct a housekeeping inspection to ensure the family is maintaining the unit in a safe and sanitary condition.

7.5. Notice of Inspection

For annual inspections, special inspections, and housekeeping inspections the Rockville Housing Enterprises will give the tenant at least 24 hour written notice.

7.6. Emergency Inspections

If any employee and/or agent of RHE has reason to believe that an emergency exists within the housing unit, the unit can be entered without notice. The person(s) that enters the unit will leave a written notice to the resident that indicates the date and time the unit was entered and the reason why it was necessary to enter the unit.

7.7. Pre-Move Out Inspections

When a tenant gives notice that they intend to move, RHE will offer to schedule a pre-move-out inspection with the family. The inspection allows RHE to help the family identify any problems that, if left uncorrected, could lead to vacate charges. This inspection is a courtesy to the family and has been found to be helpful both in reducing costs to the family and in enabling RHE to ready units more quickly for future occupants.

7.8. Move-Out Inspections

RHE conducts a move-out inspection after the tenant vacates to assess the condition of the unit and determine responsibility for any needed repairs. When possible, the tenant is notified of the inspection and is encouraged to be present. This inspection becomes the basis for any claims that may be assessed against the security deposit.

CHAPTER 8: LEASE TERMINATION

8.1. Termination By Tenant

The tenant may terminate the lease at any time by submitting a 30-day written notice. If the tenant vacates prior to the end of the thirty (30) days, she/he will be responsible for rent through the end of the notice period or until the unit is re-rented, whichever occurs first.

8.2. Termination By RHE

RHE will terminate the lease for serious or repeated violations of material lease terms. Such violations include but are not limited to the following:

- Nonpayment of rent or other charges;
- A history of late rental payments;
- Failure to provide timely and accurate information regarding family composition, income circumstances, or other information related to eligibility or rent;
- Failure to allow inspection of the unit;
- Failure to maintain the unit in a safe and sanitary manner;
- Assignment or subletting of the premises;
- Use of the premises for purposes other than as a dwelling unit (other than for housing authority approved resident businesses);
- Destruction of property;
- Acts of destruction, defacement, or removal of any part of the premises or failure to cause guests to refrain from such acts;
- Any criminal activity on the property or drug-related criminal activity on or off the premises. This includes but is not limited to the manufacture of methamphetamine on the premises of RHE;
- Permitting persons not on the lease to reside in the unit more than fourteen (14) days each year without the prior written approval of the Housing Authority; and
- Other good cause.

RHE will take immediate action to evict any household that includes an individual who is subject to a lifetime registration requirement under a state sex offender registration program.

8.2.a. Notice of Lease Termination

No resident shall be served a Notice of Lease Termination without being told by RHE in writing the reason for the termination.

When applicable, the termination notice will inform the resident of his/her right to request a hearing in accordance with the Grievance Procedure, and be given the opportunity to make such a reply as he/she may wish. Residents may not be eligible for the Grievance Procedure if the lease has been terminated for certain actions including any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or RHE employees and any drug-related criminal activity.

Notices of lease termination may be served personally or posted on the unit door. The termination notice will include a statement describing the right of any resident with a disability to meet with the manager and determine whether a reasonable accommodation could eliminate the need for the lease termination.

8.2.b. Abandonment

RHE will consider a unit to be abandoned when a resident has both fallen behind in rent AND has clearly indicated by words or actions an intention not to continue living in the unit.

When a unit has been abandoned, a RHE representative may enter the unit and remove any abandoned property that has been left for five or more days. RHE will forward a notice to the resident at the last known address of its intent to dispose of the property. If no response is received by the resident, the property will be disposed of and the charges for disposal will be added the resident's account.

8.2.c. Return of Security Deposit

After a family moves out, RHE will return the security deposit plus applicable interest within 45 days in accordance with state law or give the family a written statement within 30 days reporting why all or part of the security deposit is being kept. The rental unit must be restored to the same conditions as when the family moved in, except for normal wear and tear. Deposits will not be used to cover normal wear and tear or damage that existed when the family moved in.

8.2.d. Recordkeeping Requirements

RHE maintains a written record of every termination and/or eviction including the following information:

- Name of resident, race and ethnicity, number and identification of unit occupied;
- Date of the Notice of Lease Termination and any other state or local notices required, which may be on the same form and run concurrently;
- Specific reason(s) for the Notice(s), with section of the lease violated, and other facts pertinent to the issuing of the Notice(s) described in detail;
- Date and method of notifying resident; and
- Summaries of any conferences held with resident including dates, names of conference participants and conclusions.

8.3. VIOLENCE AGAINST WOMEN

8.3.a. Protection for Victims of Domestic Violence

Incidents of actual or threatened domestic violence, dating violence or stalking may not be considered as serious or repeated violation of a lease or as cause for terminating a tenant's tenancy if the tenant is the victim of these acts. RHE's lease includes requirements pertaining to protections required by the Violence Against Women Act of 2005.

RHE will not terminate tenancy for criminal activity that:

- (1) Is directly related to domestic violence, dating violence or stalking; and
- (2) Is engaged in by a member of the household or guest under the tenant's control; and
- (3) The tenant or a member of the tenant's immediate family is the victim or threatened victim of this criminal activity.

8.3.b. Threats to Others

Provisions of the Act do not apply if RHE demonstrates that an actual and imminent threat to other tenants or employees or service providers on RHE's property will exist unless the tenant is evicted.

8.3.c. Other Lease Violations

The Act does not prohibit eviction or termination of assistance of a victim of domestic violence, dating violence or stalking because of lease violations that are not related to the specified violence. However, RHE is prohibited from holding such victims to a higher standard than other tenants in determining whether to evict or terminate assistance.

8.3.d. Verification of Domestic Violence

RHE may require a tenant to submit one of the following as verification of domestic violence, dating violence or stalking:

- (1) HUD's certification form (HUD-50066) completed to certify that the tenant is a victim of domestic violence, dating violence or stalking and the name of the perpetrator; and/or,
- (2) A federal, state, or local police or court record; and/or
- (3) Documentation signed and attested by a victim service provider organization, an attorney or a medical professional from whom the victim has sought assistance in addressing the reported incident or its effects. In such documentation, the professional must attest under penalty of perjury to his or her belief that the incident or incidents in question are bona fide incidents of abuse.

The victim must provide the documentation requested by RHE within 14 business days of RHE's request. If the individual fails to submit the requested information within 14 days (or any extension provided by RHE) none of the protections afforded to the victim by this section shall apply.

RHE will not send its request or copies of the HUD certification form by mail; program participants who are victims must come to RHE's office to obtain the request and the certification form.

8.3.e. Confidentiality

Any information or documentation including the fact that the program participant is a victim of domestic violence, dating violence or stalking will be held in complete confidence. The information will not be entered into any shared database nor provided to any outside entity except to the extent that such disclosure is:

- (1) Requested or consented to by the individual in writing;
- (2) Required for use in an eviction proceeding of termination or assistance; or
- (3) Otherwise required by law.

8.3.f. Removal of One or More Household Members

In making determinations where it has determined incidents of such violence have taken place, RHE may bifurcate a lease prohibiting the continued occupancy of any individual household member who engages in criminal acts of physical violence without terminating assistance to a household member who is the victim. RHE also may remove the violent household member from the lease without evicting the household member who is the victim. Such termination or eviction is permitted in support of the household member who is a victim regardless of whether the victim is a signatory to the lease.

Regardless of these provisions, RHE must honor any court orders addressing the distribution or possession of property among household members in cases where a family breaks up.

CHAPTER 9: PET POLICY

9.1. ASSISTANCE ANIMALS

Assistance animals are animals that work, provide assistance, or perform tasks for the benefit of a person with a disability. Assistance animals that are needed as a reasonable accommodation for persons with disabilities are not considered pets and are not subject to RHE's pet policies.

A person with a disability is not automatically entitled to have an assistance animal. A person with a disability must make a request and receive RHE's written agreement to provide a reasonable accommodation permitting an assistance animal in the resident's unit. Reasonable accommodation requires that there is a relationship between the person's disability and his or her need for the animal.

RHE may refuse to permit persons with a disability to use and live with an assistance animal that is needed to assist them if there is reliable objective evidence that the animal:

- Poses a direct threat to the health or safety of others that cannot be reduced or eliminated by a reasonable accommodation; or
- Would cause substantial physical damage to the unit; or
- Is known to be dangerous, wild or have a proclivity to be dangerous.

9.2. PETS

9.2.a. Approval to Have a Pet

Residents must have prior RHE approval before moving a pet into their unit. To obtain that approval, the resident must submit a fully completed Authorization for Pet Ownership Form.

9.2.b. Types and Number of Pets

The RHE permits only domesticated dogs, cats, birds, gerbils, guinea pigs, or hamsters and fish in aquariums in units. All dogs and cats must be neutered.

Only one pet is permitted in a unit.

A pet may not be expected to weigh more than 30 pounds at its adult weight.

An aquarium counts as one pet; a resident may have one aquarium which may not exceed a 10 gallon capacity.

Any animal deemed to be potentially harmful to the health or safety of others, including attack or fight-trained dogs, will not be allowed.

9.2.c. Inoculations

To be registered, pets must be appropriately inoculated against rabies and other conditions prescribed by local ordinances.

9.2.d. Pet Deposit

A pet deposit of \$300.00 is required at the time of registering a dog or cat. For a fish tank or a bird, gerbil, guinea pig, or hamster a \$50.00 pet deposit is required. The deposit is refundable when the pet or the family vacates the unit, less any amounts owed due to damage beyond normal wear and tear.

9.2.e. Financial Obligation of Residents

Any resident who owns or keeps a pet in their dwelling unit will be required to pay for any damages caused by the pet. Also, any pet-related insect infestation in the pet owner's unit will be the financial responsibility of the pet owner and RHE reserves the right to exterminate and charge the resident.

9.2.f. Designation of Pet Areas

Pets must be kept in the owner's apartment or on a leash at all times when outside. No outdoor cages may be constructed nor may animals be tied and left unattended outside. Pets will be allowed only in designated areas on the grounds of the communities. Pet owners must clean up after their pets and are responsible for disposing of pet waste.

9.2.g. Nuisance or Threat to Health or Safety

The pet and its living quarters must be maintained in a manner to prevent odors and any other unsanitary conditions in the owner's unit and surrounding areas.

9.2.h. Removal of Pets

Repeated substantiated complaints by neighbors or RHE personnel regarding pets disturbing the peace of neighbors through noise, odor, animal waste, or other nuisance will result in the owner having to remove the pet or move him/herself.